MEETING MINUTES

Finance Committee Wednesday, January 19, 2011

CALL TO ORDER

Time -7:00 P.M.

Members in attendance: Chairman Joanne F. Marden, Mary O'Donoghue, Cindy Milne, S. Jon

Stumpf, Richard T. Howe, Paul Fortier, and Peggy Kruse.

Also present: Town Accountant Rod Smith and Audit Committee Chairman Paul Dow.

MEETING MINUTES

The minutes of December 1, 2010 were moved and seconded for approval with corrections. The motion passed unanimously 8-0.

AUDITED FINANCIALS

Mr. Smith reported that the Town Audit went well with one issue relative to the new Fraud Risk Assessment policy remaining open. He noted that Youth Services is being looked at more carefully due to the large amounts of cash it takes in as well as a possibility for improved internal processes concerning cash handling. There was a brief discussion on whose responsibility it is to initiate such policies in departments. Mr. Smith said he thought it should be a collaborative effort between Department Heads and the Finance Department.

Mr. Dow reported that the Audit Committee was pleased to read comments of continued improvement in the Management Letter. He agreed with Mr. Smith, that Department Heads and Managers need to be involved with the three Boards and Town Manager with respect to putting policies to work.

Mr. Smith gave a brief update on the Financials Report dated January 6th. He noted that Expenses and Revenues were descent with potential issues in Payroll numbers. He added that Personal Expenses were being watched closely. Discussion followed.

TRANSFER REQUEST

Transfer Request #2011-1, dated January 14, 2011 was distributed for action. Chairman Marden explained that the amount requested for transfer was due to an error while calculating the Fire Department's FY2011 Budget. Lengthy discussion ensued regarding use of the vacancy factor versus authorized positions in department budgets. Several committee members wished to defer action at this time due to the possibility of funding from other department accounts with surplus budgets.

A motion was made and seconded to defer action on this item to a future meeting. The motion passed unanimously 8-0.

UPDATES AND LIAISON REPORTS

Mr. Stumpf reported positive communications at a School Committee Meeting he last attended. He will meet with School Committee member Dennis Forgue, School Superintendant and Business Manager on January 25th to discuss Evaluation and Therapy and SPED expenses.

Mary O'Donoghue reminded everyone of the upcoming Special Election on Tuesday, January 25th to vote on the new Bancroft School.

Peggy Kruse reported several interested buyers for the Brockway Smith property. She added that appraisals for this property have decreased from 5% to 7% due to the current economy.

Chairman Marden stated that the three Boards need to meet in order to discuss collective bargaining issues prior to Town Meeting. Lengthy discussion followed including what role the Finance Committee should take during the negotiating process with Town unions. Some members felt that the Finance Committee should point out to voters the impact of new contracts while others questioned whether that would unfairly affect negotiations. It was noted that this issue is scheduled to be discussed at a future Tri-board Meeting during an Executive Session.

Special Town Meeting Speaker Assignments
Cindy Milne – Elder Services
Dick Howe – Police/Library

ADJOURNMENT - 9:20 P.M.

Respectfully Submitted, Carolyn Lynch Recording Secretary